



Tuesday, 01 December 2020

Dear Councillor

Lanarkshire Valuation Joint Board

The Members listed below are requested to attend a meeting of the above Board to be held as follows:-

Date: Monday, 07 December 2020
Time: 14:00
Venue: By Microsoft Teams,

The business to be considered at the meeting is listed overleaf.

Yours sincerely

Cleland Sneddon
Clerk to the Board

Members

Alex McVey (Convener), Lynne Anderson, Bob Burgess, Tom Castles, Jim Reddin, William Shields, Caroline Stephen, Annette Valentine, Walter Brogan, Poppy Corbett, Peter Craig, Isobel Dorman, Geri Gray, Ann Le Blond, Margaret B Walker, Jim Wardhaugh

Substitutes

Meghan Gallacher, Mary Gourlay, Nicky Shevlin, Ann Weir, Margaret Cowie, Mary Donnelly, Joe Lowe, Jim McGuigan, Lynne Nailon, Richard Nelson, Graham Scott, Josh Wilson

BUSINESS

- 1 **Declaration of Interests**
- 2 **Minutes of Previous Meeting** 3 - 8
Minutes of the meeting of the Lanarkshire Valuation Joint Board held on 7 September 2020 submitted for approval as a correct record. (Copy attached)

Monitoring Item(s)

- 3 **Revenue Budget Monitoring and Probable Outturn Position 2020/2021 - Lanarkshire Valuation Joint Board** 9 - 14
Report dated 9 November 2020 by the Treasurer to Lanarkshire Valuation Joint Board. (Copy attached)

Item(s) for Decision

- 4 **Revenue Budget 2021/2022 – Lanarkshire Valuation Joint Board** 15 - 22
Report dated 10 November 2020 by the Treasurer to Lanarkshire Valuation Joint Board. (Copy attached)

Item(s) for Noting

- 5 **Progress Update** 23 - 38
Report dated 19 November 2020 by the Assessor and Electoral Registration Officer. (Copy attached)
- 6 **Non-Domestic Appeals Update** 39 - 46
Report dated 19 November 2020 by the Assistant Assessor and Electoral Registration Officer. (Copy attached)

Urgent Business

- 7 **Urgent Business**
Any other items of business which the Chair decides are urgent.

For further information, please contact:-

Clerk Name: Stuart McLeod

Clerk Telephone: 01698 454815

Clerk Email: stuart.mcleod@southlanarkshire.gov.uk

LANARKSHIRE VALUATION JOINT BOARD

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Minutes of meeting held via Microsoft Teams and in Committee Room 1, Council Offices, Almada Street, Hamilton on 7 September 2020

Convener:

Councillor Alex McVey, North Lanarkshire Council

Councillors Present:

North Lanarkshire Council

Councillor Bob Burgess, Councillor Tom Castles, Councillor William Shields, Councillor Annette Valentine

South Lanarkshire Council

Councillor Walter Brogan, Councillor Peter Craig, Councillor Isobel Dorman, Councillor Geri Gray, Councillor Ann Le Blond, Councillor Margaret B Walker, Councillor Jim Wardhaugh

Councillors' Apologies:

North Lanarkshire Council

Councillor Lynne Anderson, Councillor Jim Reddin, Councillor Caroline Stephen

South Lanarkshire Council

Councillor Poppy Corbett

Attending:

Assessor and Electoral Registration Service

G Bennett, Assessor and Electoral Registration Officer; R Pacitti, Assistant Assessor and Electoral Registration Officer

Clerk's Office

G McCann, Head of Administration and Legal Services; P MacRae, Administration Adviser, South Lanarkshire Council

Treasurer's Office

P Manning, Treasurer; L O'Hagan, Finance Manager (Strategy), South Lanarkshire Council

Also Attending:

Audit Scotland

D Richardson, Senior Audit Manager; B Gillespie, Lead Auditor

Convener's Opening Remarks – Change of Board Membership

The Convener advised that Councillor Margaret B Walker, South Lanarkshire Council, had replaced Councillor Lynsey Hamilton as an ordinary member of the Lanarkshire Valuation Joint Board for the duration of Councillor Hamilton's family leave. The Convener welcomed Councillor Walker to her first meeting of the Board.

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Board held on 1 June 2020 were submitted for approval as a correct record.

The Board decided: that the minutes be approved as a correct record.

3 Revenue Budget Monitoring 2020/2021 - Lanarkshire Valuation Joint Board

A report dated 17 August 2020 by the Treasurer was submitted comparing the Board's actual expenditure at 17 July 2020 against the budgeted expenditure for 2020/2021 and providing a forecast for the year to 31 March 2021.

As at 17 July 2020, there was an underspend on the Board's revenue budget of £0.192 million. The financial forecast to 31 March 2021 would continue to be monitored and an update on the expected outturn position would be reported to the next meeting of the Board.

The Canvass Reform in 2020 had resulted in the number of households to be canvassed being reduced significantly. This would result in a reduction to costs incurred by the Board and a reduction in the funding received from the Cabinet Office. Budget virements which reflected those changes were detailed in Appendix A to the report.

An underspend was likely in respect of the Scottish Government funding totalling £0.594 million for 2020/2021 to address and identify costs to the Board arising from the Barclay Review. This was as a result of disruption to recruitment due to the pandemic and would be monitored as part of the ongoing revenue monitoring to the Board.

The Board decided:

- (1) that the underspend on the Board's revenue budget of £0.192 million at 17 July 2020, as detailed in Appendix A to the report, be noted; and
- (2) that it be noted that the forecast to 31 March 2020 would continue to be monitored and an update on the expected outturn position would be reported to the next meeting of the Board.

[Reference: Minutes of 1 June 2020 (Paragraph 3)]

4 External Auditor's Annual Audit Report to the Board

A letter dated 7 September 2020, together with the Annual Audit Report 2019/2020 to Members of the Lanarkshire Valuation Joint Board and the Controller of Audit, was submitted by Audit Scotland, the Board's External Auditor.

Details were given on the key messages contained in the External Auditor's report in relation to:-

- ◆ the audit of the Board's Annual Accounts for 2019/2020
- ◆ financial sustainability, governance and performance of the Board

The accounts had received an unqualified and unmodified independent auditor's report.

The Board decided: that the report be noted

5 Audited Accounts 2019/2020 and External Auditor's Report to the Board

A report dated 20 August 2020 by the Treasurer was submitted on the Board's audited annual accounts for 2019/2020. The accounts, which required to be approved for signature, had been audited by the External Auditor, Audit Scotland, and had received a clear audit certificate.

The accounts would be available for inspection:-

- ◆ on request from Finance Services, Council Offices, Almada Street, Hamilton
- ◆ from the office of the Assessor and Electoral Registration Officer, North Stand, Cadzow Avenue, Hamilton
- ◆ on the Lanarkshire Valuation Joint Board's website

The Board decided:

- (1) that it be noted that the Statement of Accounts for 2019/2020 had received a clear audit certificate from the External Auditor; and
- (2) that the audited Statement of Accounts for 2019/2020 be approved for signature.

[Reference: Minutes of 2 September 2019 (Paragraph 5)]

6 Lanarkshire Valuation Joint Board Office Relocation

A report dated 20 August 2020 by the Assessor and Electoral Registration Officer was submitted on a proposed relocation of Lanarkshire Valuation Joint Board (LVJB) staff from the North Stand, Cadzow Avenue, Hamilton to David Dale House, John Street, Blantyre.

South Lanarkshire Council had entered into a lease agreement with Hamilton Academicals Football Club Stadium Limited for offices at the North Stand, Cadzow Avenue, Hamilton in 2001. The period of the lease agreement would end on 26 May 2021 and South Lanarkshire Council was of the view that the lease would not be renewed as it had no operational requirement for the office space and could offer the current occupiers alternative accommodation. Accordingly, LVJB's Management Team, in conjunction with South Lanarkshire Council's Property Services, had explored the following options:-

- ◆ entering into a lease agreement with Hamilton Academicals Football Club Stadium Limited to remain in the North Stand
- ◆ relocating to private rented office space
- ◆ relocating to existing South Lanarkshire Council property stock

An options appraisal, details of which were provided in the report and in Appendix 2 to the report, had been carried out by the LVJB Management Team. This had identified David Dale House, John Street, Blantyre as the most suitable accommodation to meet the LVJB's current and future requirements. A comparison of the cost implications of remaining at the North Stand, based on renegotiated terms, and relocation to David Dale House was carried out, details of which were provided in Appendix 1 to the report.

South Lanarkshire Council had confirmed that it would address any dilapidations due in respect of LVJB's accommodation in the North Stand, estimated to be in the region of £100,000. The Council had also advised that, at the end of the term of the lease for David Dale House on 6 August 2030, it would accommodate any dilapidation works for the property.

Relocation to David Dale House would require the office space to be refitted to an acceptable specification and layout and LVJB would contribute £195,000 towards the cost, to be met from LVJB reserves.

Based on the options appraisal and cost comparisons, the LVJB Management Team proposed relocating to David Dale House, Blantyre, at a rent of £92,743 per annum until 6 August 2025 and, thereafter, £102,396 per annum, including associated costs illustrated at Appendix 1 to the report, until the end of the lease at 6 August 2030.

Based on the renegotiated terms offered for remaining at the North Stand, relocating to David Dale House would result in an estimated annual saving of £68,227 until 7 August 2025 and, thereafter, £58,574 per annum. Those estimates also did not take account of any future increase in service charges.

Following a full discussion and officers having responded to members' questions on various aspects of the report, Councillor McVey, seconded by Councillor Craig, moved that approval be granted to relocate LVJB staff from the North Stand, Cadzow Avenue, Hamilton to David Dale House, John Street, Blantyre. Councillor Brogan, seconded by Councillor Le Blond, moved as an amendment that consideration of the proposal be deferred to allow for further information on the matter to be obtained. On a vote being taken by roll call, members voted as follows:-

Motion

Tom Castles, Peter Craig, Isobel Dorman, Geri Gray, Alex McVey, William Shields, Annette Valentine

Amendment

Walter Brogan, Bob Burgess, Ann Le Blond, Margaret B Walker, Jim Wardhaugh

5 members voted for the amendment and 7 members voted for the motion. The motion was declared carried.

The Board decided: that the relocation of the Lanarkshire Valuation Joint Board staff from the North Stand, Cadzow Avenue, Hamilton to David Dale House, John Street, Blantyre be approved.

7 Timetable of Future Meetings – 2021 and to March 2022

A report dated 18 August 2020 by the Clerk was submitted on the proposed timetable of meetings for the Board for 2021 and to March 2022. It was proposed that the meetings be held at 2.00pm on the following dates:-

- ◆ Monday 1 March 2021
- ◆ Monday 7 June 2021
- ◆ Monday 6 September 2021
- ◆ Monday 6 December 2021
- ◆ Monday 7 March 2022

The Board decided: that the arrangements for future meetings of the Board for 2021 and to March 2022 be approved.

8 Progress Update

A report dated 31 August 2020 by the Assessor and Electoral Registration Officer was submitted on:-

- ◆ an overview of the Service
- ◆ current issues and Service priorities, including the response to the Coronavirus pandemic
- ◆ an update on performance
- ◆ issues affecting the future direction of the Joint Board
- ◆ complaints received and dealt with since the last quarterly report

Statistical information, illustrating progress made in terms of key areas of the work undertaken by Lanarkshire Valuation Joint Board, was provided in the appendices to the report.

The Board decided: that the report be noted.

[Reference: Minutes of 1 June 2020 (Paragraph 13)]

9 Urgent Business

There were no items of urgent business.

Report

3

Report to:	Lanarkshire Valuation Joint Board
Date of Meeting:	7 December 2020
Report by:	Treasurer to Lanarkshire Valuation Joint Board

Subject:	Revenue Budget Monitoring and Probable Outturn Position 2020/2021 - Lanarkshire Valuation Joint Board
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide a forecast for the year to 31 March 2020
- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April 2020 to 6 November 2020

2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s):-

- (1) that it be noted that, following the probable outturn exercise, the transfer to Reserves for the current financial year is £0.140 million, as detailed in Appendix A;
- (2) that an underspend to date of £0.357 million on Lanarkshire Valuation Joint Board's revenue budget, as detailed in Appendix A of the report, be noted; and
- (3) that it be noted that, following the transfer to Reserves of £0.140 million, £1.087 million will be carried to the Balance Sheet at the end of March 2021..

3. Background

3.1. This is the third revenue budget monitoring report presented to the Lanarkshire Valuation Joint Board for the financial year 2020/2021.

3.2. The report details the financial position for Lanarkshire Valuation Joint Board as at 6 November 2020 as well as detail on the annual probable outturn exercise carried out for financial year 2020/2021. These are shown in Appendix A.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. **Probable Outturn Position:** Appendix A shows the results of the probable outturn exercise. The financial forecast to 31 March 2021 is a Transfer to Reserves of £0.140 million. This is compared to a budgeted Transfer from Reserves of £0.370 million, meaning that the Board's Reserves will be in a better position than budgeted, by £0.570 million.

- 5.2. The improved position is the result of the ongoing underspend in Employee Costs (£0.621) offset in the main by overspends in Supplies and Services (£0.024m), Administration Costs (£0.078m) and Financing Charges (£0.009m). The variances are detailed in sections 5.3. to 5.10.
- 5.3. **Employee Costs:** The underspend (£0.621m) reflects the delay in recruitment of five Trainee Valuers and the level of turnover experienced in staffing. This is along with the impact of the Barclay funding received after the budget was set.
- 5.4. While the Board were allocated £0.594 million from the Scottish Government (through councils) for the current year (2020/2021), there is no agreement yet from the Scottish Government on funding beyond this year.
- 5.5. While spend is being incurred on the implementation of the Barclay recommendations, the uncertainty of long term funding means that this will be managed on an ongoing basis until future funding levels are clarified. The probable outturn position reflects the anticipated spend in the current year with any underspend being carried forward for use in the next financial year. Required spend levels will continue to be monitored during the year.
- 5.6. It is expected that as the recommendations from the Barclay report are implemented, costs will significantly rise in future years. On behalf of the Board, the Treasurer continues to engage with COSLA regarding the timing of notification of future funding. The Board will be updated as we go through the year.
- 5.7. **Supplies and Services:** An overspend is expected in relation to the additional costs of personal protective equipment (£0.016m) in 2020/2021 and for the maintenance costs of upgrading to personal laptops (£0.008m) to facilitate home working.
- 5.8. **Administration Costs:** Additional costs are expected for Printing and Stationery due to the external provision of scanning (£0.070m). Training Costs are also expected to be higher due to the recruitment of trainee valuers and trainee technicians over recent years (£0.005m) as these employees require to attend University/College as part of their training.
- 5.9. **Financing Charges:** An overspend is expected in IT leasing costs in relation to the additional laptops (£0.009m) required to facilitate home working.
- 5.10. **Reserves:** At the end of 2019/2020, the Board carried forward £0.947 million into 2020/2021. Taking into account the £0.140 million Transfer to Reserves noted in 5.1, a balance of £1.087 million will be carried into 2020/2021.
- 5.11. **Period 8 Budget Virements:** there are 4 budget virements detailed in sections 5.12 to 5.15. These are shown Appendix 1.
- 5.12. **Barclay Funding:** An amount of £0.011m is to be contributed to the Scottish Assessors Association portal in respect of Barclay requirements, therefore, the Employee Costs budget is decreased by £0.011m and is offset by an increase to Payments to Other Bodies budget.
- 5.13. **Individual Electoral Reform:** There is a slight change to the allocation of the reduced costs for the Canvass Reform, from the reported change on 7 September 2020. The cost of Temporary Canvassers is increasing by £0.017m, which is offset by Administration Costs (£0.017m).

- 5.14. **Property Costs:** A transfer from Reserves (£0.195m) to pay for additional property costs (£0.195m).
- 5.15. **Electoral Registration:** The Scottish Government is providing funding for the extension of the franchise for electoral registration for prisoners. IT systems require to be updated for this. The additional costs incurred to date (£0.013m) are offset by increased income (£0.013m).
- 5.16. **Period 8 Monitoring Position:** As at 6 November 2020, the variance from phased budget to date is an underspend of £0.357 million. This is shown in Appendix A.
- 5.17. This is a continuation of the previously reported position, and reflects the probable outturn position anticipated for the full year.

6. Climate Change, Sustainability and Environmental Implications

- 6.1. There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

7. Other Implications

- 7.1. The main risk associated with the Board's Revenue Budget is that there is an overspend. The risk has been assessed as low given the detailed budget management applied. The risk is managed through four weekly Budget Monitoring meetings at which any variance is analysed. In addition, the probable outturn exercise endures early warning for corrective action to be taken where appropriate.
- 7.2. Due to the pandemic, there may be implications for the Assessor in relation to the May 2021 election in terms of postal voting and increased administration. We will continue to work with the Assessor in relation to any financial impact this may have.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 8.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

Paul Manning
Treasurer

9 November 2020

Previous References

- ◆ Revenue Budget Monitoring 2020/2021 - Lanarkshire Valuation Joint Board - 1 June 2020
- ◆ Revenue Budget Monitoring 2020/2021 - Lanarkshire Valuation Joint Board – 7 September 2020

List of Background Papers

- ◆ Revenue Budget 2020/2021 – Lanarkshire Valuation Joint Board – 2 December 2019

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Lorraine O'Hagan

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LANARKSHIRE VALUATION JOINT BOARD

Revenue Budget Monitoring Report

Period Ended 6 November 2020 (No.8)

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 06/11/20	Actual 06/11/20	Variance 06/11/20		% Variance 06/11/20	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	3,452	2,831	621	1,968	1,559	409	under	20.8%	1,a,b
Property Costs	200	200	0	4	4	0	-	0.0%	d
Supplies & Services	112	136	(24)	104	124	(20)	over	(19.2%)	2, c
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	515	593	(78)	232	262	(30)	over	(12.9%)	3, b
Payments to Other Bodies	33	33	0	14	14	0	-	0.0%	a
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	14	23	(9)	10	10	0	-	0.0%	
Total Expenditure	4,326	3,816	510	2,332	1,973	359	under	15.4%	
Total Income	(58)	(58)	0	(53)	(51)	(2)	under recovered	3.8%	b, c
Net Expenditure	4,268	3,758	510	2,279	1,992	357	under	15.7%	
Add:									
Central Support Costs	492	492	0	332	332	0	-	0.0 %	
Total Budget	4,760	4,250	510	2,611	2,254	357	under	13.7%	
Funded By:									
North Lanarkshire Council	(2,195)	(2,195)	0	(1,280)	(1,280)	0	-	0.0%	
South Lanarkshire Council	(2,195)	(2,195)	0	(1,280)	(1,280)	0	-	0.0%	
Transfer To / (From) monies held in reserve	(370)	140	510	0	0	0	-	n/a	d
Net Budget	0	0	0	51	(306)	357	under	(290.4%)	

Variance Explanations

- Employee Costs:** The underspend mainly reflects recruitment timescales as a result of the pandemic.
- Supplies and Services:** The overspend relates to the costs of computer equipment and personal protective equipment in relation to the pandemic.
- Administration Costs:** The overspend is in relation to scanning costs in relation to Non-Domestic Rates.

Virement

- Barclay Funding Spend (£nil effect):** Decrease the Employee Costs budget by £0.011m and increase Payments to Other Bodies by £0.011m for increased contribution to Scottish Assessors Association (Section 5.12).
- Individual Electoral Reform Spend/Funding (£nil effect):** Increase the Employee Costs budget for Temporary Canvassers by £0.017m and decrease Administration Costs by £0.018m. This is offset by a slight decrease in Cabinet Office Funding £0.001m (Section 5.13).
- Electoral Registration Spend/Funding (£nil effect):** Increase Supplies and Services budget by £0.013m which is offset by an increase in funding received £0.013m (Section 5.15).
- Transfer from Reserves (£0.195m):** Increase the transfer from Reserves by £0.195m and increase Property Costs by £0.195m for additional costs.

Report

Report to:	Lanarkshire Valuation Joint Board
Date of Meeting:	7 December 2020
Report by:	Treasurer to Lanarkshire Valuation Joint Board

Subject:	Revenue Budget 2021/2022 – Lanarkshire Valuation Joint Board
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise members of the draft budget for the coming financial year (2021/2022)

2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s):-

- (1) that the budget strategy resulting in the budget of £3.835 million being set for 2021/2022, summarised in Table 1, be approved;
- (2) that the position on Barclay spend and funding (section 4.6), be noted;
- (3) that the Requisition Payments be reviewed following receipt of the Local Government Finance Settlement, as detailed at section 4.8 be noted; and
- (4) that the Reserves position across year, detailed in Table 2, be noted.

3. Background

- 3.1. On 5 March 2018, a Financial Strategy for 2019/2020 to 2021/2022 was presented to the Board. Due to the time elapsed since then, a revised Budget Strategy is required for 2021/2022.
- 3.2. The Board has an approved Expenditure Budget of £4.283 million for the current year, 2020/2021.
- 3.3. In relation to the Board's budget strategy for 2021/2022, the continued increase in workload across all three key business areas of the Board (Non Domestic Valuation, Council Tax Valuation and Electoral Registration) mean that ways of maintaining service delivery and compliance with statutory duties of the Assessor and Electoral Registration Officer, against a backdrop of budgetary pressures, continue to be reviewed.
- 3.4. Following the 2020/2021 probable outturn exercise, also presented to this meeting, a balance of £0.140 million is anticipated to be transferred to Reserves and is then available for future years' budgets. Adding this to the Reserves carried forward from the previous financial year (£0.947 million) will mean a balance on Reserves of £1.087 million for use in 2021/2022 and beyond.

- 3.5. This paper will provide a reminder of the Budget Assumptions used in the preparation of the Medium Term Budget Strategy which included 2021/2022 and will provide detail of the revised assumptions in proposing the budget for 2021/2022 (section 4). Section 5 will highlight further areas for members' consideration regarding the position beyond 2021/2022.
- 4. 2021/2022 Budget Assumptions**
- 4.1. A number of expenditure and income assumptions were taken into account in establishing the 2019/2020 to 2021/2022 Financial Strategy for the Board. This proposed a budget of £4.108 million. The assumptions for 2021/2022, as at March 2018, are detailed in Appendix 1 for reference.
- 4.2. Since the Strategy was set in 2018, considerable time has elapsed and a number of external influences have also impacted on the Board's Budget. For example, the multi-year Pay Award was settled at a cost to the Board of £0.175 million, increasing their base budget to £4.283 million. In addition, recommendations from the Barclay Review are also being implemented, and early achievement of efficiency savings have resulted in an improved Reserves position. A refresh of the previous assumptions is, therefore, required and each is taken in turn.
- 4.3. **Pay Award:** The Strategy set in March 2018 assumed a pay award for each of the 3 years, including 2021/2022. For 2021/2022, it is assumed that the pay award will cost the Board £0.050m. There is no allowance included for annual increments and competency initiative rises as it is anticipated that these will be managed through turnover of staff.
- 4.4. **Canvass Reform:** The Canvass Reform in 2020 has resulted in the number of households to be canvassed being reduced significantly. This will result in a reduction to costs incurred by the Board and a reduction in the Individual Electoral Registration (IER) funding received from the Cabinet Office for 2021/2022. The cost savings will be evident in Temporary Canvassers (£0.143m) and Administration costs (£0.149m) and will be offset by reduced income (£0.292m).
- 4.5. **Administration and Operations Saving:** Savings in relation to administration and operational costs have been made totalling £0.118m. The projected savings effectively to each local authority, compared to current administration and operations costs is £0.059 million. The saving is offset by a reduction in Requisition payments (£0.118 million).
- 4.6. **Barclay Review:** Scottish Government funding totalling £0.594 million was allocated to North and South Lanarkshire Councils in 2020/2021, for onward transfer to the Board. It is expected that as the recommendations of the Barclay report are implemented, costs will continue to rise. There is a level of uncertainty regarding the funding of the Barclay recommendations moving forward as no allocation has been confirmed. As such, no funding has been assumed for 2021/2022. When notification of funding is received, the budget will be updated accordingly.
- 4.7. **Requisition Payments:** The original strategy for 2021/2022 (agreed by the Board in March 2018) included the increased Requisition Payments of £0.170 million carried on into 2021/2022. However, as the Board's Reserves position has since improved, and the increase in requisitions has not been required, it is proposed that the Requisition payments be reduced by £0.170 million in the short term, for 2021/2022 and 2022/2023 only. This is detailed further in section 5.

- 4.8. The proposed budget (presented in table 1) is at present based on an assumption that there will be a 1% reduction in the grant funding provided to the constituent authorities by the Scottish Government. A 1% cut in Requisition Payments would equate to £0.038 million and the LVJB would require to make efficiencies against core budget as a result. If the level of grant settlement (expected by February 2021) does not reflect that level of reduction, the Treasurer commits to reviewing the requisition to take that fact into account. This may lead to a further minor adjustment in the budget and requisitions payable by both Councils. This would be reported to the March meeting of the Board.
- 4.9. Based on the assumptions in section 4, Table 1 summarises the movement from the 2020/2021 base budget to the 2021/2022 budget. It also details the Funding Package including the use of Reserves, but leaves a shortfall of £0.097 million. It is proposed that this is balanced by making efficiencies.

Table 1 – Movement in Budget from 2020/2021 to 2021/2022

	£m	£m
2021/2022 Base Budget (rolled forward from 2020/2021)		4.283
Expenditure Increases:		
<u>Employee Costs</u>		
Pay Award	0.050	
Temporary Canvassers – Canvass Reform	(0.143)	
<u>Property Costs</u>		
Administration and Operations Saving	(0.118)	
<u>Administration Costs</u>		
Printing and Stationery – Canvass Reform	(0.076)	
Postages – Canvass Reform	(0.073)	
Postages – Price Increases	0.006	
Central Support – Price Increases	0.003	(0.351)
2021/2022 Expenditure Budget		3.932
Funded By:		
2021/22 Requisitions (sections 4.7 to 4.8)		(3.470)
2021/22 IER Funding from Cabinet Office (section 4.4)		(0.020)
2021/22 Use of Reserves		(0.345)
2021/2022 Income Budget		3.835
2021/2022 Net Expenditure Budget		0.097
To be Managed by:		
Efficiencies/Savings to be identified across the Budget		(0.097)

- 4.10. As noted in Table 1, Reserves of £0.345 million are being used in 2021/2022. This would leave £0.742 million for future years, excluding any future Barclay funding.
- 4.11. Movement in the budget from 2020/2021 to 2021/2022 is detailed in Appendix 2.

5. Beyond 2021/2022

- 5.1. Following the 2020/2021 Probable Outturn and the increased use of Reserves for the 2021/2022 Budget Strategy (in Table 1), it is anticipated that there will be a balance of £0.742 million in Reserves at the end of 2021/2022. This is shown in Table 2 and reflects the fact that Reserves have increased through underspends in recent years. Table 2 also shows the impact of the temporary increased use of Reserves in 2021/2022 and 2022/2023 to cover reduced Requisitions in those two years only (proposed in section 4.7). The higher Requisitions will be reinstated in 2023/2024.

Table 2 – Reserves Position

	2020/2021 £m	2021/2022 £m	2022/2023 £m	2023/2024 £m
Opening Balance	0.947	1.087	0.742	0.397
Proposed Transfer to Reserves / (Utilisation of Reserves)	0.140	(0.345)	(0.345)	(0.175)
Closing Balance	1.087	0.742	0.397	0.222

- 5.2. In adopting this strategy, there are still Reserves available into 2024/2025 (£0.222m). Reliance on the use of Reserves is not long-term, and the Board will require to make efficiency savings over the next three years, to cover the use of Reserves (£0.175m) after 2023/2024.

6. Employee Implications

- 6.1. There are no direct employee implications contained within this report.

7. Financial Implications

- 7.1. The proposed 2021/2022 Revenue Budget for the Valuation Board is £3.835 million.
- 7.2. This budget assumes a contribution of £0.345 million from Reserves held in the balance sheet and also efficiencies to balance the budget (£0.097m).
- 7.3. The Reserves balance is expected to be £1.087 million at the end of 2020/2021, as detailed in the Revenue Budget Monitoring and Probable Outturn Position 2020/2021 report, also presented to this meeting.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

9. Other Implications

- 9.1. The main risk in setting this budget is that there is no additional Barclay funding and that the level of expenditure cannot be managed within the budget set. On behalf of the Board, the Treasurer continues to have dialogue with the Scottish Government via COSLA, to confirm funding and spend expectations.
- 9.2. There is also a risk that the residual IER funding from the Cabinet Office does not materialise. Discussions with the Cabinet Office will continue in order to seek clarification of funding levels, and the mechanism for providing such funding, to adequately address the additional costs associated with IER.

9.3. An additional risk associated with the Valuation Board's Revenue Budget into 2021/2022 is an overspend as a result of the increased workload across the three main service delivery areas. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.

10. Equality Impact Assessment and Consultation Arrangements

10.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

10.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

Paul Manning
Treasurer

10 November 2020

Previous References

◆ Financial Strategy 2019/20 to 2021/22 and Longer Term Outlook – 5 March 2018

List of Background Papers

◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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Original Budget Strategy – as at March 2018 (Expenditure, Efficiencies and Income)

Expenditure

- **Employee Costs (increase of £0.099m)** The increase reflects the anticipated pay award, annual increments and competency initiative rises for those staff progressing through their qualifications and an increase for temporary canvassers.
- **Administration Costs (increase of £0.009m)** The increase reflects inflationary increases in Central Administration (£0.003m), reflecting Information Technology costs, Postages (£0.006m).

Efficiencies/Savings

- These areas of additional spend are offset by £0.108m of efficiencies/savings identified by the Assessor and Electoral Registration Officer, in an effort to minimise the impact on the budget. The main elements are noted below:
- **Employee Costs (decrease of £0.108m)** The reduction in employee costs reflects the removal of vacant posts as well as the recruitment of trainee valuation staff / technicians in place of qualified valuation staff. It also assumes a level of turnover.

Income

- **IER Funding from Cabinet Office** Funding for IER has been received from the Cabinet Office in years 2013/14 to 2018/19. While no indicative allocations have been provided for 2019/20, it has been assumed that the funding levels for IER will be similar to those provided in 2018/19 (£0.312m) which includes core funds and additional money received through a bid mechanism. This is the same level as 2018/19, and is based on the 2017/18 actual figure. This covers ongoing IER expenditure in Employee Costs for temporary canvassers and in Administration Costs for postage, printing and stationery.
- IER is now assumed as mainline income/expenditure moving forward albeit with no long term confirmation of income from the Cabinet Office. This is an area of budget risk.
- **Council Requisition Payments** The 2021/2022 budget is based on an increase in requisition payments of £0.170m carried on from the previous 2 years. This strategy was approved by the Board in March 2018.

Lanarkshire Valuation Joint Board

Revenue Budget 2021/2022

Description	2020/21 Base Budget £m	2021/22 Required Budget £m	Budget Movement (Inc) / Dec £m
Employee Costs	3.012	2.822	(0.190)
Property Costs	0.325	0.207	(0.118)
Supplies and Services	0.081	0.081	0.000
Administration Costs	0.836	0.696	(0.140)
Payments to Other Bodies	0.022	0.022	0.000
Financing Charges	0.014	0.014	0.000
Gross Expenditure	4.290	3.842	(0.448)
Income	(0.007)	(0.007)	0.000
Net Expenditure	4.283	3.835	(0.448)
Net Expenditure Budget Funded by :			
Requisition from North Lanarkshire Council	(1.898)	(1.735)	0.163
Requisition from South Lanarkshire Council	(1.898)	(1.735)	0.163
IER Funding – Cabinet Office	(0.312)	(0.020)	0.292
Use of Monies held in Balance Sheet (c/f from previous years)	(0.175)	(0.345)	(0.170)
Net Budget	0.000	0.000	0.000

Report

5

Report to:	Lanarkshire Valuation Joint Board
Date of Meeting:	7 December 2020
Report by:	Assessor and Electoral Registration Officer

Subject:	Progress Update
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an overview of the service to members
- ◆ outline current issues and service priorities
- ◆ provide an update on performance
- ◆ highlight issues affecting the future direction of the Joint Board

2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s):-

- (1) that the content of the report be noted.

3. Service Overview and Priorities

3.1. Electoral Registration

3.1.1. Annual Canvass Reform

Work is well underway for this year's annual canvass of electors, with the publication of registers on track for 1 December. Due to the ongoing pandemic, the household visit element of this year's canvass has been suspended, although remains under continuous review.

Canvass reform has introduced new communication channels which can be used, including emailing and telephoning households/residents. Some 5,600 emails have been issued, and circa 1,650 phone calls made to date as part of the annual canvass process. Efforts will continue to make the registers as complete and accurate as possible during the current pandemic prior to the publication date of 1 December 2020. Potential electors continue to be encouraged to use the online registration service at www.gov.uk/register-to-vote.

3.1.2. Elections Held Since Last Board Meeting

The Local Government by-elections for Ward 13 Fortissat and Ward 14 Thorniewood, in North Lanarkshire which were to take place on 19 November 2020, have once again been postponed due to the pandemic and are now likely to take place in March 2021.

3.2. Non-Domestic Valuation

A summary of information in this area can be found in Appendices 1.1 to 1.5.

3.2.1. Changes to the 2017 Valuation Roll (Running Roll)

These are highlighted in Appendices 1.1 and 1.2 for the period 1 April 2020 to 1 November 2020.

3.2.2. 2005 Valuation Roll Appeals (Revaluation and Running Roll)

A summary of the position with 2005 Revaluation and Running Roll appeals is contained in Appendix 1.3.

3.2.3. 2010 Valuation Roll Appeals (Revaluation and Running Roll)

A summary of the position with 2010 Revaluation and Running Roll appeals is contained in Appendix 1.4.

3.2.4. 2017 Valuation Roll Appeals (Revaluation and Running Roll)

A summary of the position with regards to 2017 Revaluation and Running Roll appeals is contained in Appendix 1.5. Table 2 includes some of the voluminous levels of appeals recently received in connection with the coronavirus pandemic. The Scottish Assessors Association has identified contact persons for the various category of subjects where appeals have been lodged as a result of the pandemic, and ratepayers' groups and agents have been contacted to initiate discussions in respect of the appeals.

3.3. Council Tax

A summary of information in this area can be found in Appendices 2.1 to 2.4.

3.3.1. New Houses

A summary of the position for the period 1 April 2020 to 1 November 2020 is contained at Appendix 2.2.

3.3.2. Proposals and Appeals

Appendices 2.3 and 2.4 contain information on Council Tax proposals and appeals.

4. Staffing

4.1. Since the last Board meeting, there have been no new staff recruited, or any staff leaving the organisation.

4.2. As has been the case in previous years, it is intended that our office will be closed between Christmas and New Year; closing 29, 30 and 31 December. Staff will use annual leave/accrued flexi time for these days.

4.3. Staff absence levels for the last year are summarised in Appendix 3.0.

5. Other Matters

5.1. Complaints Received and Dealt with Since Last Progress Update Report

Since the last update provided for the Board meeting, four complaints have been received, a summary of which is as follows:-

Service Area	Nature of Complaint	Outcome
Council Tax (ref: 2020/21 – 1)	Complainant sought to have a property removed from the Valuation List for council tax and added to the Valuation Roll as a Self-Catering Unit.	A response was issued explaining that the criteria to determine such changes is set out in legislation which had been followed correctly by LVJB staff.
Non-Domestic Valuation (ref: 2020/21 – 2)	Complainant sought to have a property split into several entries following an inspection by LVJB staff earlier this year.	A response was issued explaining that the criteria required to make multiple valuation roll entries had not been met.
Electoral Registration (ref: 2020/21-3)	Complaint related to the order in which the names of electors are shown on the Household Enquiry Form.	A response was issued explaining that the names are published in alphabetical order.
Non-Domestic Valuation (ref: 2020/21 – 4)	The complaint related to the date of entry of a subject in the Valuation Roll.	A response was issued explaining that the effective date used by LVJB staff followed careful consideration of all the information available.

5.2. Complaints to the Ombudsman

No decisions have been received from the Scottish Public Services Ombudsman (SPSO) since the last meeting of the Board.

5.3. Barclay Review Implementation

The Non-Domestic Rates (Scotland) Act 2020 is now in force, and preparatory work continues to ensure that LVJB is in a position to undertake all new statutory undertakings contained within the Act.

The following is a summary of the progress in connection with the principal sections of the Act which affect matters relating to the Valuation Roll:-

- Section 2 – (amends the definition of “year of revaluation” such that, after 2022, revaluations will be carried out every three years, rather than every five years). **Progress update;** the Scottish Assessors Association and LVJB’s in-house Revaluation Strategy Group continue to scope the work associated with undertaking the next non-domestic revaluation. The Scottish Government’s Local Government and Communities Committee are currently consulting on proposals to postpone the next revaluation to the financial year 2023-24, moving the tone date to 1 April 2022. The draft statutory instrument is The Valuation (Postponement of Revaluation) (Coronavirus) (Scotland) Order 2020.

- Section 3 – (inserts a new section into the Local Government (Scotland) Act 1975 requiring an Assessor to include a mark in appropriate entries in the Valuation Roll to show that it relates to newly built lands and heritages, or to improved lands and heritages. The local authority will be able to use this mark to identify properties which may be eligible for business growth accelerator relief).

Progress update; further discussions have been undertaken with LVJB's core valuation software providers in respect of system adjustments to incorporate the marker.
- Section 5 – (amends section 19 of the Local Government (Financial Provisions) (Scotland) Act 1963 to require that certain subjects contained within parks should be entered in the Valuation Roll). The subjects to be entered are those which are occupied by a person or body other than a local authority or the Crown, or where persons may be required to pay for access to facilities or for goods or services.

Progress update; preliminary work continues with the main consideration being how such subjects can be valued without the need for physical site visits during the current pandemic.
- Section 9 - Amends section 3 of the 1975 Act to allow Ministers to prescribe that Assessors must give ratepayers additional information at Revaluation.

Progress update; discussions continue within the Scottish Assessors' Association (SAA) with regards to how best to facilitate the provision of information at the SAA Portal in respect of the next revaluation.
- Section 10 - Makes significant changes to the appeal arrangements enabling a "proposal" to be made to the Assessor in the first instance. Where no agreement is reached as to what should be done about a proposal, an appeal may be submitted to the Valuation Appeal Committee. Whilst this section sets out the basic framework, much of the detail of the procedure (including whether any fee may be charged for making a proposal or an appeal) will be contained within secondary legislation. It is anticipated that the Scottish Government will undertake a consultation exercise on the format of those Regulations.

Progress update; a consultation on the revised non-domestic appeal system is still awaited from the Scottish Government.
- Section 26 - Gives powers for Assessors to issue Assessors' Information Notices (AINs) requiring the return of information which the Assessor may reasonably require for the purposes of exercising his/her functions in relation to non-domestic rates in respect of the lands and heritages set out in the notice. Information may be requested from the Proprietor, Tenant or Occupier or any person who the Assessor thinks has the information.

Progress update; no AINs are currently being issued pending the provision, by way of regulations, for appeal rights in connection with civil penalties.
- Section 30 provides for civil penalties to be issued for failure to return requested information within certain time periods.

Progress update; It is expected that regulations governing civil penalty appeal rights will be in place over the coming months.

5.4. Coronavirus Pandemic

LVJB's management team's focus remains on the welfare of staff and ensuring that statutory duties continue to be undertaken at this challenging time. LVJB's safe systems at work and risk assessment continues to allow a small number of staff to work from the office at any one time where such staff are of the view that they cannot work from home on a regular basis. The office, however, remains closed to the public and no site visits are being undertaken at present, although a specific risk assessment and safe systems at work in respect of site visits continues to be considered.

In respect of work relating to council tax and non-domestic valuation surveys, other methods of assessing council tax bands and rateable values are being tested, including inviting stakeholders to provide adequate information to determine if changes to the Valuation Roll and Valuation List may be undertaken without the requirement for site visits. Given the current status of Lanarkshire in terms of the Scottish Government's Protection Levels Framework, the management team are of the view that visits to premises, and in particular households, is not appropriate at this time. As detailed at section 3.1.1. above, this extends to door to door visits which normally take place each year as part of the annual canvass of electors.

With regards to Valuation Appeal Committee hearings, discussions continue with the Secretary and Chair to the Lanarkshire Valuation Appeal Panel with regards to how committee hearings can be undertaken during the current pandemic. The facilitation of the hearings remains key to assisting with meeting statutory deadlines in respect of non-domestic appeal disposals, and also to assist with dispute resolution in connection with council tax appeals. A separate report on the current status with non-domestic appeals forms part of the papers for the December meeting of the Board.

The project to have the non-domestic files scanned and indexed into LVJB's document electronic management system is nearing completion, allowing staff access to subject files whilst working from home.

6. Employee Implications

6.1. See 4 above.

7. Financial Implications

7.1. None.

8. Climate Change, Sustainability and Environmental Implications

8.1 There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

9. Other Implications

9.1. There are no implications for risk in terms of the information contained in this report.

10. Equality Impact Assessment and Consultation Arrangements

10.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

10.2 There is no requirement for consultation in respect of this report.

11. Privacy Impact Assessment

11.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

**Gary Bennett BSc MSc AEA (Cert-Scotland) MRICS IRRV (Hons)
Assessor and Electoral Registration Officer**

19 November 2020

Previous References

- ◆ Progress Update Report for Board meeting of 7 September 2020

List of Background Papers

- ◆ None

Contact for Further Information

If you require further information, please contact:-

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Alterations made to the Valuation Roll (including appeal adjustments) between 01/04/2020 and 01/11/2020

Area	AS AT 01/04/20		ADDED		DELETED		ALTERED		AS AT 01/11/2020	
	SUBJECTS	RV	SUBJECTS	RV	SUBJECTS	RV	SUBJECTS	RV	SUBJECTS	RV
North Lanarkshire	10,338	294,259,225	34	90,425	37	208,700	116	-1,897,150	10,335	292,243,800
South Lanarkshire	10,670	751,970,325	21	135,910	23	140,850	34	-16,738,880	10,668	735,226,505
LVJB total	21,008	£1,046,229,550	55	£226,335	60	£349,550	150	-£18,636,030	21,003	£1,027,470,305

Summary of time taken to make alterations (excluding appeal adjustments) to the Valuation Roll

Period: 1 April 2020 to 1 November 2020

Area	Total altered	altered < 3 months		altered 3 to 6 months		altered > 6 months	
	No.	No.	%age	No.	%age	No.	%age
North Lanarkshire	80	43	53.75%	25	31.25%	12	15.00%
South Lanarkshire	65	44	67.70%	11	16.92%	10	15.38%
LVJB totals	145	87	60.00%	36	24.83%	22	15.17%

Valuation Roll Appeals: Revaluation and Running Roll 2005

1. Revaluation Appeals

Area	Appeals received since 2005 Valuation Roll	Appeals resolved as at 1 November 2020	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 November 2020
North Lanarkshire	3,921	3,918	0	£0	3	£76,150	3
South Lanarkshire	3,148	3,147	0	£0	1	£50,800	1
LVJB total	7,069	7,065	0	£0	4	£126,950	4

2. Running Roll Appeals

Area	Appeals received since 2005 Valuation Roll	Appeals resolved as at 1 November 2020	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 November 2020
North Lanarkshire	2,023	2,022	0	£0	1	£36,500	1
South Lanarkshire	1,695	1,693	0	£0	2	£90,050	2
LVJB total	3,718	3,715	0	£0	3	£126,550	3

Valuation Roll Appeals: Revaluation and Running Roll 2010

1. Revaluation Appeals

Area	Appeals received since 2010 Valuation Roll	Appeals resolved as at 1 November 2020	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 November 2020
North Lanarkshire	4,460	4,458	0	£0	2	£18,600	2
South Lanarkshire	3,103	3,101	0	£0	2	£91,000	2
LVJB total	7,563	7,559	0	£0	4	£109,600	4

2. Running Roll Appeals

Area	Appeals received since 2010 Valuation Roll	Appeals resolved as at 1 November 2020	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 November 2020
North Lanarkshire	5,480	5,478	0	£0	2	£28,900	2
South Lanarkshire	6,727	6,725	0	£0	2	£86,600	2
LVJB total	12,207	12,203	0	£0	4	£115,500	4

Valuation Roll Appeals: Revaluation and Running Roll 2017

1. Revaluation Appeals

Area	Appeals received since 2017 Valuation Roll	Appeals resolved as at 1 November 2020	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 November 2020
North Lanarkshire	4,728	4,458	0	£0	97	£1,311,575	270
South Lanarkshire	4,553	4,132	0	£0	122	£133,850,475	421
LVJB total	9,281	8,590	0	£0	219	£135,162,050	691

2. Running Roll Appeals

Area	Appeals received since 2017 Valuation Roll	Appeals resolved as at 1 November 2020	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 November 2020
North Lanarkshire	2,805	382	0	£0	3	£37,375	2,423
South Lanarkshire	2,641	297	0	£0	52	£756,896,775	2,344
LVJB total	5,446	679	0	£0	55	£756,934,150	4,767

Council Tax Subjects as at 01/11/2020

BAND	ENTRIES AS AT 01/04/20			ADDITIONS			DELETIONS			CURRENT ENTRIES			BAND 'D' EQUIVALENT		
	NORTH	SOUTH	TOTAL	NORTH	SOUTH	TOTAL	NORTH	SOUTH	TOTAL	NORTH	SOUTH	TOTAL	NORTH	SOUTH	TOTAL
A	53191	36128	89319	8	16	24	147	13	160	53052	36131	89183	35370	24089	59459
B	37641	30533	68174	6	21	27	4	1	5	37643	30553	68196	29279	23764	53043
C	19686	26214	45900	41	158	199	1	3	4	19726	26369	46095	17534	23439	40973
D	17233	21140	38373	99	106	205	6	2	8	17326	21244	38570	17326	21244	38570
E	16808	19823	36631	115	112	227	2	2	4	16921	19933	36854	22233	26190	48423
F	9612	12623	22235	137	128	265	2	1	3	9747	12750	22497	15839	20719	36558
G	3051	6539	9590	18	56	74	2	2	4	3067	6593	9660	6006	12911	18917
H	163	566	729	0	2	2	0	0	0	163	568	731	399	1392	1791
TOTAL	157385	153566	310951	424	599	1023	164	24	188	157645	154141	311786	143986	153748	297734
'D' EQIV.	143550	153027	296577	554	743	1298	118	22	140	143986	153748	297734			

JOINT BOARD TOTALS

		01/04/2020	01/11/2020	Increase
TOTAL CHARGEABLE ENTRIES	North	157385	157645	260
	South	153566	154141	575
	Total	310951	311786	835
BAND 'D' EQUIVALENT	North	143550	143986	436
	South	153027	153748	721
	Total	296577	297734	1157

Summary of time taken to enter new houses in Valuation (Council Tax) List

Period: 1 April 2020 to 1 November 2020

Area	Total added	added < 3 months		added 3 to 6 months		added > 6 months	
North Lanarkshire	424	388	91.51%	32	7.55%	4	0.94%
South Lanarkshire	599	563	93.99%	29	4.84%	7	1.17%
LVJB totals	1023	951	92.96%	61	5.96%	11	1.08%

Summary of Council Tax Proposals/Appeals received and dealt with as at 1 November 2020

Valid	Proposals/Appeals outstanding @ 1 April 2020	Proposals/Appeals received since 1 April 2020	Proposals/Appeals completely resolved 01/04/2020 to 01/11/2020	Outstanding balance
North Lanarkshire	14	13	8	19
South Lanarkshire	22	39	16	45
LVJB total	36	52	24	64

Invalid	Proposals/Appeals outstanding @ 1 April 2020	Proposals/Appeals received since 1 April 2020	Proposals/Appeals completely resolved 01/04/2020 to 01/11/2020	Outstanding balance
North Lanarkshire	49	45	62	32
South Lanarkshire	40	90	101	29
LVJB total	89	135	163	61

Combined	Proposals/Appeals outstanding @ 1 April 2020	Proposals/Appeals received since 1 April 2020	Proposals/Appeals completely resolved 01/04/2020 to 01/11/2020	Outstanding balance
North Lanarkshire	63	58	70	51
South Lanarkshire	62	129	117	74
LVJB total	125	187	187	125

Summary of resolution of Council Tax Proposals/Appeals Between 1 April 2020 and 1 November 2020

Valid	Proposals/Appeals completely resolved 01/04/2020 to 01/11/2020	Number withdrawn	Number abandoned	Number adjusted	Number dismissed by VAC	Number adjusted by VAC
North Lanarkshire	8	6	0	2	0	0
South Lanarkshire	16	13	0	1	2	0
LVJB total	24	19	0	3	2	0

Invalid	Proposals/Appeals completely resolved 01/04/2020 to 01/11/2020	Number withdrawn	Number abandoned	Number adjusted	Number dismissed by VAC	Number adjusted by VAC
North Lanarkshire	62	1	59	0	2	0
South Lanarkshire	101	3	94	0	4	0
LVJB total	163	4	153	0	6	0

Combined	Proposals/Appeals completely resolved 01/04/2020 to 01/11/2020	Number withdrawn	Number abandoned	Number adjusted	Number dismissed by VAC	Number adjusted by VAC
North Lanarkshire	70	7	59	2	2	0
South Lanarkshire	117	16	94	1	6	0
LVJB total	187	23	153	3	8	0

ABSENCE MANAGEMENT STATISTICS

Month	Self Certified		Medically Certified		Unauthorised Absence		Total			Total			
	No of Days	%	No of Days	%	No of Days	%	No of Days	Work Days Avail	%	Month	No of Days	Work days available	%
	November 2019	21	1.7%	68	5.5%	Nil	0.0%	89	1228	7.2%	November 2018	59	1257
December 2019	23	1.8%	55	4.3%	Nil	0.0%	78	1290	6.0%	December 2018	40	1261	3.2%
January 2020	11	0.8%	46	3.4%	Nil	0.0%	57	1347	4.2%	January 2019	41	1392	2.9%
February 2020	3	0.2%	40	3.3%	Nil	0.0%	43	1213	3.5%	February 2019	24	1200	2.0%
March 2020	37	2.7%	71	5.2%	Nil	0.0%	108	1367	7.9%	March 2019	73	1248	5.8%
April 2020	0	0.0%	66	4.9%	Nil	0.0%	66	1355	4.9%	April 2019	48	1277	3.8%
May 2020	6	0.5%	58	4.4%	NIL	0.0%	64	1309	4.9%	May 2019	61	1259	4.8%
June 2020	13	0.9%	56	4.1%	NIL	0.0%	69	1375	5.0%	June 2019	37	1071	3.5%
July 2020	0	0.0%	69	4.8%	NIL	0.0%	69	1439	4.8%	July 2019	64	1186	5.4%
August 2020	9	0.7%	39	3.0%	NIL	0.0%	48	1317	3.6%	August 2019	35	1181	3.0%
September 2020	5	0.4%	22	1.6%	NIL	0.0%	27	1378	2.0%	September 2019	26	1207	2.2%
October 2020	14	1.0%	33	2.1%	NL	0.0%	47	1374	3.4%	October 2019	79	1329	5.9%
Averages for 12	12	0.9%	52	3.9%	Nil	0.0%	64	1333	4.8%		49	1239	3.9%

Report

Report to:	Lanarkshire Valuation Joint Board
Date of Meeting:	7 December 2020
Report by:	Assistant Assessor and Electoral Registration Officer

Subject:	Non-Domestic Appeals Update
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ present to members of the Joint Board, for information, the progress in the disposal of appeals in respect of the 2017 Revaluation and to update the Board on recent developments as regards non-domestic appeals in general

2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s):-

- (1) that the content of the report be noted.

3. The Effect of Covid-19

3.1. The global pandemic has had a marked effect on the disposal of both Revaluation and Running Roll appeals and has led to a large number of new Running Roll appeals lodged on the grounds that the effect of COVID-19 is a material change of circumstances (MCC) affecting the annual value of non-domestic properties.

3.2. Effect on Running Roll Appeal Numbers

As stated, COVID-19 has led to the lodging of voluminous Running Roll appeals, lodged on the grounds that the effect of COVID-19 is a MCC affecting the annual value of non-domestic properties. In North and South Lanarkshire combined, there were a total of 4,234 such appeals lodged. This is a significant number of appeals, which will be resource intensive for the Lanarkshire Valuation Joint Board (LVJB) both administratively and in terms of discussing the appeals to ensure they are disposed of timeously. Details of these appeals can be seen in Appendix 1.

3.3. Effect on Appeal Disposal

When the country entered lock-down on 23 March 2020, there were already 5 Valuation Appeal Panel Hearings scheduled to sit prior to 30 June 2020. There were circa 1,600 appeals cited for these hearings. This constituted the bulk of all outstanding appeals that were required by statute to be disposed of by 31 December 2020. In addition, there were a further 6 non-domestic hearings scheduled, for the period from 23 September to 16 December 2020, to allow substantive cases to be heard and disposed of by the Appeal Panel.

3.4. Due to health concerns associated with the pandemic, the Secretary to the Appeal Panel, understandably, cancelled the 5 outstanding hearings up to June 2020, with the outstanding appeals being postponed and re-cited for the hearings between September and December 2020. However, the Secretary to the Appeal Panel, again understandably, decided that, although not cancelled, these hearings would only deal with administrative matters and not substantive matters. The effect of which is that many appeals that would have been dealt with have been postponed until early in 2021.

3.5 Notwithstanding this, LVJB's staff have continued to attempt to settle appeals with ratepayers and their professional representatives. The results of these on-going discussions are quantified at sections 5.3 and 6.3.

3.6 **Effect on Appeal Disposal Dates**

With appeal hearings being interrupted throughout Scotland, and looking to the additional Running Roll appeals caused by Covid-19, the Scottish Government introduced The Valuation Timetable (Scotland) Order 2020 whereby all 2017 Revaluation appeals with a disposal date of 31 December 2020, and any Running Roll appeals that had a disposal date before 1 April 2021, had their disposal date amended to 31 December 2021.

4. **2005 and 2010 Appeals**

4.1. In respect of the 2005 Revaluation, in total 7 appeals remain, of which 4 are Revaluation appeals and 3 are Running Roll appeals, all are in respect of Telecoms subjects and all are referred to the Lands Tribunal for Scotland (LTS). Discussions on these appeals are being led by the office of the Assessor for Renfrewshire.

4.2. In respect of the 2010 Revaluation, in total 8 appeals remain, of which 4 are Revaluation appeals and 4 are Running Roll appeals, all are in respect of Telecoms subjects and all are referred to the LTS. Again, discussions on these appeals are being led by the office of the Assessor for Renfrewshire.

5. **2017 Outstanding Revaluation Appeals**

5.1. LVJB received 9,281 appeals in respect of the 2017 Revaluation, an increase of almost 23% compared to the 7,563 appeals that were received for the 2010 Revaluation. As noted at section 3.3, the bulk of all outstanding appeals that required to be dealt with by the Appeal Panel as of 31 December 2020 were cited for hearing at Valuation Appeal Committees in the run up to June 2020. These were postponed and re-cited for hearing between September and December 2020. Details of these can be seen in Appendix 2.

5.2. As stated above, the Secretary to the Appeal Panel has taken the decision, due to the pandemic, not to hold face-to-face hearings, rather he has arranged for procedural matters only to be dealt with virtually.

5.3. As at 16 November 2020, LVJB has 592 appeals for the 2017 Revaluation outstanding, of which 364 are to be disposed of prior to 31 December 2021, with the remaining 228 referred to the LTS. The majority of these will be cited for hearing in the first part of 2021. It is expected that a number of these will be referred to the Lands Tribunal for Scotland.

6. 2017 Outstanding Running Roll Appeals

- 6.1. Again, many of these appeals were cited for hearing up to June 2020 and were subsequently postponed, to be re-cited in the latter part of 2020.
- 6.2. These have been added to by, as stated at 3.2, a total of 4,234 appeals lodged relating to the pandemic.
- 6.3. As of 16 November 2020, LVJB has 4,726 Running Roll appeals outstanding, of which 4,234 relate to the alleged MCC caused by the pandemic. Again, it is expected that a number of these will be referred to the Lands Tribunal for Scotland.
- 6.4. Non-pandemic Running Roll appeals have been cited for hearing in the latter part of 2020, with those relating to the pandemic to be cited for hearing thereafter. Details of these can be seen in Appendix 3.

7. Valuation Appeal Committee Hearings

- 7.1. To mitigate against the risk of not meeting statutory appeal disposal dates, it has been agreed with the Secretary to the Appeal Panel that there will be, in addition to the 4 remaining Non-Domestic Appeal Hearings in 2020, 18 such Hearings held in 2021. This is an increase from the 14 scheduled in 2020.

8. Employee Implications

- 8.1. Appeals are resource intensive and work is underway to scope dealing with this.

9. Financial Implications

- 9.1. None

10. Climate Change, Sustainability and Environmental Implications

- 10.1. There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

11. Other Implications

- 11.1. There are no implications for risk in terms of the information contained in this report.

12. Equality Impact Assessment and Consultation Arrangements

- 12.1. This report does not introduce a new policy, function or strategy or recommend a change to existing policy, function or strategy and, therefore, no impact assessment is required.
- 12.2. There is no requirement for consultation in respect of this report.

13. Privacy Impact Assessment

- 13.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.

Jim Neason

Assistant Assessor and Electoral Registration Officer

19 November 2020

Previous References

- ◆ Report on 2017 Revaluation Appeal Disposal – LVJB meeting of 2 December 2019

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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Analysis of Covid Running Roll Appeals

Scottish Government Category	General Description	No of Appeals Received	No of Appeals disposed of as of 16/16/2020	No of Appeals Remaining as at 16/11/2020
1	Shop	1546	0	1546
2	Public House	171	0	171
3	Office (Including Banks)	1284	0	1284
4	Hotel etc	28	0	28
5	Industrial	736	0	736
6	Leisure, Entertainment, Caravans & Holiday Sites	66	0	66
7	Garage & Petrol Stations	68	0	68
8	Cultural	3	0	3
9	Sporting Subjects	6	0	6
10	Education & Training	20	0	20
11	Public Service Subjects	37	0	37
12	Communications (Non Formula)	6	0	6
13	Quarries, Mines etc	11	0	11
14	Petrochemical	1	0	1
15	Religious	1	0	1
16	Health Medical	25	0	25
17	Other	44	0	44
18	Care Facilities	16	0	16
19	Advertising	145	0	145
20	Undertakings	20	0	20
	Totals	4234	0	4234

Analysis of 2017 Revaluation Appeal Disposal (Excluding LTS Referrals)

Scottish Government Category	General Description	No of Appeals Received	No of Appeals disposed of as of 16/11/2020	No of Appeals Remaining as at 16/11/2020
1	Shop	2137	2072	65
2	Public House	225	170	55
3	Office (Including Banks)	2224	2182	42
4	Hotel etc	39	32	7
5	Industrial	2307	2244	63
6	Leisure, Entertainment, Caravans & Holiday Sites	136	108	28
7	Garage & Petrol Stations	120	102	18
8	Cultural	11	9	2
9	Sporting Subjects	11	6	5
10	Education & Training	316	305	11
11	Public Service Subjects	477	453	24
12	Communications (Non Formula)	10	6	4
13	Quarries, Mines etc	17	10	7
14	Petrochemical	2	2	0
15	Religious	75	74	1
16	Health Medical	247	246	1
17	Other	405	400	5
18	Care Facilities	151	150	1
19	Advertising	286	274	12
20	Undertakings	85	72	13
	Totals	9281	8917	364

Analysis of Non-Covid Running Roll Appeal Disposal (Excluding LTS Referrals)

Scottish Government Category	General Description	No of Appeals Received	No of Appeals disposed of as of 16/11/2020	No of Appeals Remaining as at 16/11/2020
1	Shop	264	199	65
2	Public House	34	22	12
3	Office (Including Banks)	332	183	149
4	Hotel etc	9	2	7
5	Industrial	261	178	83
6	Leisure, Entertainment, Caravans & Holiday Sites	32	18	14
7	Garage & Petrol Stations	8	4	4
8	Cultural	0	0	0
9	Sporting Subjects	116	80	36
10	Education & Training	14	11	3
11	Public Service Subjects	8	6	2
12	Communications (Non Formula)	3	0	3
13	Quarries, Mines etc	5	2	3
14	Petrochemical	3	0	3
15	Religious	1	1	0
16	Health Medical	2	2	0
17	Other	37	32	5
18	Care Facilities	8	7	1
19	Advertising	13	7	6
20	Undertakings	95	45	50
	Totals	1245	799	446

